

## Summary of Ripley County 2015 Annual Adjustment Methodology

### **Method**

The sales comparison method using local market data was used to adjust the assessments in Ripley County for 2015. The annually adjusted values used in the 2015 ratio study were developed based on updated cost tables, land values and any changes in parcel characteristics discovered during the 2018 reassessment and 2014 / 2015 new construction field activities. The sales used for the 2015 annual adjustments were from March 2, 2013 to March 1, 2015.

The land base rates and neighborhood factors were examined in each neighborhood and property class. Neighborhoods with an insufficient number of sales were compared to significantly similar neighborhoods. The criteria for comparison were geographic location, similarity of land size and improvement type and age, and any other factors deemed relevant. Comparisons were also made between adjoining neighborhoods and townships to insure the continuity of land base rates and neighborhood factors.

Due to the lack of adequate paired sales or re-sales data, a reliable indication of overall market movement in Ripley County, solely as a function of time, cannot be reasonably supported. Therefore, no time adjustment has been developed or applied.

The additional tab "Sales Reconciliation" provides an explanation of all sales identified in the "*RIPLEY Sales Reconciliation 04-07-2015.xlsx*."

### **Industrial Improved Properties:**

There were no valid industrial sales during the sales horizon for this study.

### **Commercial Properties:**

There were 5 valid improved commercial sales countywide. Due to the low number of total sales, the Spearman Rank test was performed which showed no evidence of vertical inequity.

### **Commercial and Industrial Land:**

There was only 1 valid vacant commercial sale during the expanded time period of March 2 2011 to March 1, 2015. No commercial or industrial land appeals that might have provided appraisals containing market value indications were brought forward during that time. As a result, no changes or adjustments were made.

### **Residential Properties:**

**VACANT:** With only 3 valid vacant residential sales, there were an insufficient number of sales to allow for a credible analysis. The appraisals presented during the time period of this study, for improved residential properties, failed to develop value using the cost approach which would have provided a separate indication of land for comparison. As a result, no changes or adjustments were made.

**IMPROVED:** Due to the limited number of valid sales in this property class, it was necessary to group all townships other than Adams, Johnson and Laughery in order to enhance the statistical reliability of the study. With a sales sample of less than 20 for group 2, the Spearman Rank test was performed which showed no evidence of vertical inequity.